

## **Strategic Management Consultation – One Approach for the Balanced Scorecard**

### **First Step    Balanced Scorecard Introduction and Key Element Refinement**

After initial conversations with the hospital administrator and other key staff, a series of telephone conferences and/or a site visit will be scheduled with senior staff, members of the governing body and key physicians. These discussions cover core elements of the Balanced Scorecard as a foundation for strategy management, real-time monitoring of organizational performance improvement and details of implementation relative to the particular site.

Input from administrative staff, the governing body and medical staff is essential to a successful project. During this phase, clear communication is vital so that expectations of all stakeholders are considered during design and deployment of the scorecard. The Readiness Assessment Worksheet presented in Appendix A will be completed, shared with senior management and discussed in detail.

Timeframe: One month

Deliverable: Governing body and administrative engagement as well as linkage of the refined strategic plan to the Balanced Scorecard framework.

Resources: Facilitated teleconferences

### **Second Step Mapping the Strategy and Collecting the Data**

Early in the deployment process – and essential to its success – the organization's strategic plan, which incorporates key elements of its mission and vision, will be translated into measurable parameters. The Balanced Scorecard framework tracks organizational performance in four core areas: *Learning and Growth*, *Clinical and Business Processes*, *Community and Providers*, and *Finance*. The active process of mapping each individual measurement via logical links one-to-another provides a vibrant illustration of the power of the Balanced Scorecard to both present and manage the organization's strategy.

- Teaching on content and linkages of the core areas
- Teaching exercise similar to that used in the BSC training sessions could be useful here prior to working with the facility's actual strategic plan.
- Additional material on the actual Balanced Scorecard foundation and methodology may also be relevant at this point.

While on site, the consultants will also share specific methods with the project team for data collection and reporting, including scan forms, surveys and data entry.

Timeframe: One and one-half days site visit

Deliverable: Organization-specific Balanced Scorecard Strategy Map  
accompanied by project team familiarity with and understanding  
of the data collection process

Resources: Facilitated meetings with management/project team

### **Third Step Data Collection and Reporting**

To produce the one-page Balanced Scorecard containing key financial, customer, process and satisfaction data linked to the Strategy Map, it is necessary to routinely collect and transmit core data. In addition to the one-page scorecard, supporting detail reports are provided to foster the action planning process essential to effectively manage strategy.

- Use available software, preferably, or access Apples-To-Apples via Stroudwater Associates.
- Overview of software package
- Present data collection tools and reporting capabilities
- Identify reporting methods and paths

Timeframe: Ongoing

Deliverable: Twelve (12) months of data input and reporting

Resources: Access to CHS staff and resources

### **Fourth Step Performance Improvement Action Planning**

As experience and confidence with the reporting process and reading the Balanced Scorecard accumulate, opportunities to positively impact performance emerge. At these critical points in the program, it is important to address these identified areas in a timely and effective manner. This activity establishes a customized agenda for change within the organization during a one day site visit followed by teleconferences as necessary with key staff to monitor progress and assess accountability.

Timeframe: One day site visit

Deliverable: Organization-driven intervention plans linked to their Balanced Scorecard

Resources: Consultant facilitated meetings with management and PI team

## **Fifth Step    Performance Monitoring**

Essential to the ongoing success of the Balanced Scorecard as a strategy management tool is the accurate and continual interpretation of the reports and data generated by the process. The consultants are committed to work closely and collaboratively with management and the performance improvement team to interpret the reports and establish actionable plans for “moving the numbers” consistent with the organization’s strategic plan. During each reporting period, data will also be submitted to a database under direction of the Rural Health Resource Center.

Timeframe: Ongoing following the Action Planning site visit

Deliverable: Refinements of Performance Improvement action plans relevant to  
Balanced Scorecard reports and the strategic plan

Resources: Consultants’ participation in quarterly BSC meetings